

## Message Text

LIMITED OFFICIAL USE

PAGE 01 HONG K 09077 140050Z  
ACTION COME-00

INFO OCT-01 EA-10 ISO-00 EB-08 /019 W  
-----008209 142220Z /70  
R 130910Z JUL 78  
FM AMCONSUL HONG KONG  
TO SECSTATE WASHDC 1566

LIMITED OFFICIAL USE HONG KONG 9077

E.O. 11652: N/A  
TAGS: BENC, HK  
SUBJ: MAJOR PROJECT: KOWLOON-CANTON RR ELECTRIFICATION

REF: (A) STATE 168289 (B) HONG KONG 8388

1. NAMES AND ADDRESSES CONTAINED IN REFTEL (A) WERE PASSED TO KCR. SKEPTICISM OF U.S. FIRMS MENTIONED IN PARA 3. OF REFTEL (A) COULD PERHAPS BEST BE MET WITH FACT THAT KCR PURCHASES GENERAL MOTORS LOCOMOTIVES AND SPARES ON A CONTINUING BASIS.

2. ACTUAL TENDER WILL BE LET BY THE PUBLIC WORKS DEPARTMENT OF HKG. BECAUSE OF ITS LARGE SIZE, BIDS MUST BE REVIEWED BY CENTRAL TENDERS BOARD, A REVIEW WHICH INCREASES OBJECTIVITY. TECHNICAL ADVICE WILL BE PROVIDED TO TENDERS BOARD BY TRANSMARK, A CONSULTING FIRM UNDER CONTRACT TO KCR.

3. WHILE CURRENT STATUS OF THE "BUY BRITISH" SYNDROME DIFFICULT TO GAUGE, TWO RECENT EVENTS INDICATE ABILITY OF U.S. FIRMS TO COMPETE EFFECTIVELY. WITHIN LAST TWO YEARS, G.E. (U.S) WON A MAJOR CONTRACT TO PROVIDE TELECOMMUNICATIONS SYSTEM FOR ROYAL H.K. POLICE. THIS YEAR, DUPONT WAS SELECTED OVER ICI, LDT. TO ESTABLISH SOLE WATER-GEL EXPLOSIVES PLANT IN H.K.

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4. SITUATION WITH KCR PERHAPS WEIGHTED BY GREATER FAMILIARITY OF BOTH KCR MANAGING DIRECTOR, WHO IS FORMER BRITISH RAIL EXECUTIVE, AND TRANSMARK, WHICH IS SUBSIDIARY OF BRITISH RAIL, WITH BRITISH EQUIPMENT. POST DOUBTS FAMILIARITY WILL BE AS IMPORTANT AS SPECIFICATIONS AND PRICE. CONGEN SUGGESTS USDOC ENCOURAGE U.S. SUPPLIERS TO BID. BIDDING WILL NOT GUARANTEE A WIN, BUT NOT BIDDING

WILL GARANTEE NOT WINNING. BPOST OF COURSE WILL MONITOR  
PROJECT IN A EFFORT TO ASSURE THAT ANY BIDS FROM AMERICAN  
FIRMS ARE GIVEN FAIR CONSIDERATION.  
SHOESMITH

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 jul 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978HONGK09077  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Reference:** 78 STATE 168289, 78 HONG KONG 8388  
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**Review Content Flags:**  
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**Review Event:**  
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**Review Release Event:** n/a  
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**Subject:** MAJOR PROJECT: KOWLOON-CANTON RR ELECTRIFICATION  
**TAGS:** BENC, HK  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014